

MONTANA LEGISLATIVE HISTORY

Chapter 342 1981

Bill H _____ S 345 Original bill & history ☒ c

H. Committee on Local Gov.

Hearing Date(s) 3/19 _____ c

3/19 _____ c

_____ c

_____ c

Date Out _____ c

S. Committee on Taxation

Hearing Date(s) 2/18 _____ c

2/24 _____ c

_____ c

_____ c

Did this bill originate in an interim committee? ☐ Yes ☐ No

Committee _____

Report _____

REFERRED TO COMMITTEE ON JUDICIARY: 2/17

HEARING: 3/13

REPORT: 3/13, BE CONCURRED IN

2ND READING: 3/21, YEAS: 60; NAYS: 29

ON MOTION, 3/23, RECOMMITTED TO 2ND READING

2ND READING: 3/26, AS AMENDED -- YEAS: 53; NAYS: 21

3RD READING: 3/28, YEAS: 69; NAYS: 24

RETURNED TO SENATE WITH AMENDMENTS: 3/28

2ND READING: 4/2, BE CONCURRED IN

3RD READING: 4/4, YEAS: 39; NAYS: 8

TRANSMITTED TO GOVERNOR: 4/8/81

ACTION: 4/13, SIGNED

CHAPTER 341

SB 343 -- AKLESTAD, UNDERDAL, IVERSON, ET AL -- GENERALLY REVISING THE
CREATION OF REFUSE DISPOSAL DISTRICTS.

INTRODUCED AND REFERRED TO COMMITTEE ON LOCAL GOVERNMENT: 1/31

HEARING: 2/10

REPORT: 2/20, DO PASS AS AMENDED

2ND READING: 2/24, YEAS: 47; NAYS: 3

3RD READING: 2/25, YEAS: 46; NAYS: 3

TRANSMITTED TO HOUSE: 2/25

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT: 3/3

HEARING: 3/19

REPORT: BE NOT CONCURRED IN, 3/20

REPORT: ADOPTED, 3/21

BILL KILLED: 3/21 YEAS: 81; NAYS: 6

SB 344 -- TOWE, CONOVER, BERG, ET AL -- IMPOSING SEVERANCE TAX ON
PALLADIUM, PLATINUM, AND OTHER METALS, ETC...

FISCAL NOTE: REQUIRED

INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION: 1/31

HEARING: 2/17

REPORT: 4/4, DO PASS AS AMENDED

2ND READING: 4/6, AS AMENDED -- YEAS: 27; NAYS: 22

ON MOTION, 4/6, RULES SUSPENDED, PLACED ON 3RD READING

3RD READING: 4/6, YEAS: 29; NAYS: 21

TRANSMITTED TO HOUSE: 4/6

REFERRED TO COMMITTEE ON TAXATION: 4/6

HEARING: 4/13

MOTION, 4/20, TO TAKE THE BILL FROM COMMITTEE ON TAXATION
AND PLACE IT ON 2ND READING. MOTION FAILED,
YEAS: 30; NAYS: 66

DIED IN COMMITTEE

SB 345 -- BALLIGAN -- ALLOWING RURAL AND CITY SPECIAL IMPROVEMENT
DISTRICTS TO EXTEND WITHIN OR OUTSIDE CITY BOUNDARIES.

INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION: 1/31

HEARING: 2/18

REPORT: 3/2, DO PASS AS AMENDED

2ND READING: 3/4, DO PASS

3RD READING: 3/6, YEAS: 43; NAYS: 3

TRANSMITTED TO HOUSE: 3/6

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT: 3/7

HEARING: 3/19

REPORT: 3/20, BE CONCURRED IN
ON MOTION, 3/27, PASSED FOR THE DAY.
2ND READING: 3/28, YEAS: 74; NAYS: 7
3RD READING: 3/31, YEAS: 79; NAYS: 19

RETURNED TO SENATE: 3/31

TRANSMITTED TO GOVERNOR: 4/8/81
ACTION: 4/13, SIGNED
CHAPTER 342

SB 346 -- GRAHAM -- INCREASING MAXIMUM GROSS VEHICLE WEIGHT ALLOWED
WITHOUT SPECIAL PERMIT...

INTRODUCED AND REFERRED TO COMMITTEE ON HIGHWAYS AND
TRANSPORTATION: 2/2
HEARING: 2/10
REPORT: 2/11, DO PASS AS AMENDED
2ND READING: 2/13, YEAS: 32; NAYS: 13
3RD READING: 2/16, YEAS: 35; NAYS: 12

TRANSMITTED TO HOUSE: 2/16
ON MOTION, 2/21, PASSED CONSIDERATION TO THE 46TH LEGISLATIVE
DAY.

REFERRED TO COMMITTEE ON HIGHWAYS & TRANSPORTATION: 2/17
HEARING: 2/19
REPORT: BE CONCURRED IN, 2/19
2ND READING: 3/2 YEAS: 58; NAYS: 32
3RD READING: 3/4 YEAS: 77; NAYS: 22

RETURNED TO SENATE: 3/4
TRANSMITTED TO GOVERNOR: 3/10/81
ACTION: 3/11, SIGNED
CHAPTER 40

SB 347 -- GALT, TURNAGE, BOYLAN, ROTH -- CREATING THE OFFICE OF CHIEF
WATER JUDGE.

FISCAL NOTE: REQUIRED
INTRODUCED AND REFERRED TO COMMITTEE ON AGRICULTURE: 2/2
HEARING: 2/11
REPORT: 2/12, DO PASS AS AMENDED
2ND READING: 2/16, DO PASS
3RD READING: 2/17, YEAS: 48; NAYS: 2

TRANSMITTED TO HOUSE: 2/17
REFERRED TO SELECT COMMITTEE ON WATER: 2/18
HEARING: 3/10
REPORT: 3/24, BE CONCURRED IN, AS AMENDED
2ND READING: 3/28, YEAS: 85; NAYS: 0
3RD READING: 3/31, YEAS: 99; NAYS: 0

RETURNED TO SENATE WITH AMENDMENTS: 3/31
2ND READING: 4/10, BE CONCURRED IN
ON MOTION, 4/11, RULES SUSPENDED, PLACED ON 3RD READING
3RD READING: 4/11, YEAS: 46; NAYS: 2

TRANSMITTED TO GOVERNOR: 4/15/81
ACTION: 4/20, SIGNED
CHAPTER 442

SB 348 -- M. ANDERSON, MCCALLUM, THOMAS -- AMENDING PROVISIONS RELATED

SENATE BILL NO. 345

INTRODUCED BY HALLIGAN

IN THE SENATE

January 31, 1981	Introduced and referred to Committee on Taxation.
March 2, 1981	Committee recommend bill do pass as amended. Report adopted.
March 3, 1981	Bill printed and placed on members' desks.
March 4, 1981	Second reading, do pass.
March 5, 1981	Correctly engrossed.
March 6, 1981	Third reading, passed. Ayes, 43; Noes, 3. Transmitted to House.

IN THE HOUSE

March 7, 1981	Introduced and referred to Committee on Local Government.
March 20, 1981	Committee recommend bill be concurred in. Report adopted.
March 27, 1981	Second reading, pass consideration.
March 28, 1981	Second reading, concurred in.
March 30, 1981	On motion rules suspended and bill allowed to be transmitted on 71st legislative day. Motion adopted.
March 31, 1981	Third reading, concurred in. Ayes, 79; Noes, 19.

IN THE SENATE

April 1, 1981

Returned from House. Con-
curred in. Sent to enrolling.

Reported correctly enrolled.

1 *Sen. Hallgren* BILL NO. *345*
2 INTRODUCED BY *Hallgren*
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW RURAL AND CITY
5 SPECIAL IMPROVEMENT DISTRICTS TO EXTEND WITHIN OR OUTSIDE
6 CITY BOUNDARIES, RESPECTIVELY, UNDER CERTAIN CIRCUMSTANCES;
7 AMENDING SECTIONS 7-12-2102 AND 7-12-4102, MCA."
8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
10 Section 1. Section 7-12-2102, MCA, is amended to read:
11 "7-12-2102. Authorization to create rural improvement
12 districts upon petition. (1) Whenever the public interest or
13 convenience may require and upon the petition of 60% of the
14 freeholders affected thereby, the board of county
15 commissioners is hereby authorized and empowered to order
16 and create special improvement districts in thickly
17 populated localities outside of the limits of incorporated
18 towns and cities for the purpose of building, constructing,
19 or acquiring by purchase devices intended to protect the
20 safety of the public from open ditches carrying irrigation
21 or other water and maintaining sanitary and storm sewers,
22 light systems, waterworks plants, water systems, sidewalks,
23 and such other special improvements as may be petitioned
24 for.
25 ~~(2) The board of county commissioners may order and~~

1 ~~create special improvement districts covering projects~~
2 ~~abutting the city limits and include properties inside the~~
3 ~~city where the rural improvement district abuts and benefits~~
4 ~~that property. Property owners inside the city may be~~
5 ~~included in the rural special improvement district only if a~~
6 ~~majority of those property owners approve of the rural~~
7 ~~special improvement district. The property inside the city~~
8 ~~must be treated in a similar manner, as to improvements,~~
9 ~~notices, and assessments, as the property outside the city~~
10 ~~limits. A joint resolution of the city and county must be~~
11 ~~passed agreeing to the terms of the rural special~~
12 ~~improvement district prior to passing the resolution of~~
13 ~~intention or resolution creating the rural special~~
14 ~~improvement district. A copy of the resolution of intention~~
15 ~~and the resolution creating the rural special improvement~~
16 ~~district must be provided to the city clerk upon the passage~~
17 ~~of the respective resolutions."~~

18 Section 2. Section 7-12-4102, MCA, is amended to read:
19 "7-12-4102. Authorization for creation of special
20 improvement districts. (1) The city or town council has
21 power to create special improvement districts, designating
22 the same by number; to extend the time for payment of
23 assessments levied upon such districts for the improvements
24 thereon for a period not exceeding 20 years; to make such
25 assessments payable in installments; and to pay all expenses

INTRODUCED BILL

SB 345

1 of whatever character incurred in making such improvements
2 with special improvement warrants.

3 (2) Whenever the public interest or convenience may
4 require, the city council is hereby authorized and empowered
5 to:

6 (a) create special improvement districts for building,
7 constructing, and maintaining devices intended to protect
8 the safety of the public from open ditches carrying
9 irrigation or other water;

10 (b) create special improvement districts for building
11 and constructing municipal swimming pools and other
12 recreation facilities;

13 (c) create special improvement districts and order the
14 whole or any portion or portions, either in length or width,
15 of any one or more of the streets, avenues, alleys, or
16 places or public ways of any such city:

17 (i) graded or regraded to the official grade;

18 (ii) planked or replanked;

19 (iii) paved or repaved;

20 (iv) macadamized or remacadamized;

21 (v) graveled or regraveled;

22 (vi) piled or repiled;

23 (vii) capped or recapped;

24 (viii) surfaced or resurfaced;

25 (ix) oiled or reoiled;

1 (d) create special improvement districts and order the
2 construction or reconstruction therein of:

3 (i) sidewalks, crosswalks, culverts, bridges, gutters,
4 curbs, steps, parkings (including the planting of grassplots
5 and setting out of trees);

6 (ii) sewers, ditches, drains, conduits, and channels
7 for sanitary and/or drainage purposes, with outlets,
8 cesspools, manholes, catchbasins, flush tanks, septic tanks-
9 connecting sewers, ditches, drains, conduits, channels, and
10 other appurtenances;

11 (iii) waterworks, water mains, and extensions of water
12 mains;

13 (iv) pipes, hydrants, hose connections for irrigating
14 purposes;

15 (v) appliances for fire protection;

16 (vi) tunnels, viaducts, conduits, subways, breakwaters,
17 levees, retaining walls, bulkheads, and walls of rock or
18 other material to protect the same from overflow or injury
19 by water;

20 (vii) the opening of streets, avenues, and alleys and
21 the planting of trees thereon;

22 (e) create special improvement districts and order the
23 construction or reconstruction in, over, or through property
24 or rights-of-way owned by such city of:

25 (i) tunnels, sewers, ditches, drains, conduits, and

channels for sanitary and/or drainage purposes, with necessary outlets, cesspools, manholes, catchbasins, flush tanks, septic tanks, connection sewers, ditches, drains, conduits, channels, and other appurtenances;

(ii) pipes, hose connections for irrigating; hydrants and appliances for fire protection;

(iii) breakwaters, levees, retaining walls, and bulkheads; and

(iv) walls of rock or other material to protect the streets, avenues, lanes, alleys, courts, places, public ways, and other property in any such city from overflow by water;

(f) create special improvement districts and order any work to be done which shall be deemed necessary to improve the whole or any portion of such streets, avenues, sidewalks, alleys, places, or public ways, property, or right-of-way of such city; and

(g) maintain, preserve, and care for any and all of the improvements herein mentioned.

(3) The city governing body may order and create special improvement districts covering projects abutting the city limits and include properties outside the city where the special improvement district abuts and benefits that property. Property owners outside the city may be included in the special improvement district only if a majority of

those property owners approve of the special improvement district. The property outside the city must be treated in a similar manner, as to improvements, notices, and assessments, as the property inside the city limits. A joint resolution of the city and county must be passed agreeing to the terms of the special improvement district prior to passing the resolution of intention or the resolution creating the special improvement district. A copy of the resolution of intention and the resolution creating the special improvement district must be provided to the county commissioners upon the passage of the respective resolutions."

-End-

47th LEGISLATIVE SESSION

SENATE BILLS

COMMITTEE ON TAXATION

BILL NO.	ENTERED COMM.	DATE CONSIDERED	OUT OF COMM.	DO NOT PASS XXX DATE	DO NOT PASS DATE	DO PASS AS AMEND. DATE	BE CON- CURRED IN DATE	BE CONC. IN AS AMENDED DATE	BE NOT CON- CURRED IN DATE
337	1-30-81	2-12-81		3-21-81					
339	1-30-81	2-13-81	Tabled	3-31-81					
344	2-02-81	2-17-81				4-04-81			
345	2-02-81	2-18-81				2-24-81			
355	2-03-81	2-16-81		3-26-81					
356	2-03-81	2-16-81				3-28-81			
358	2-03-81	2-18-81			3-06-81				
361	2-03-81	2-19-81		3-05-81					
372	2-05-81	2-19-81	Laid on the table	3-21-81					
382	2-06-81	2-18-81				3-09-81			
383	2-06-81	2-18-81		3-06-81					
384	2-09-81	2-20-81			3-21-81				
408	2-09-81	2-20-81	Tabled	3-19-81					
409	2-23-81	3-02-81				3-14-81			
412	2-10-81	2-20-81		2-21-81					
423	2-11-81	2-20-81	Tabled	3-21-81					

(Use Separate Sheet for Senate, House Bills, and Resolutions)

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

February 18, 1981

The 30th meeting of the committee was called to order at 7:30 a.m. in Room 415 of the State Capitol Building, Chairman Pat Goodover presiding.

ROLL CALL: All members were present, except for Sen. Steve Brown.

CONSIDERATION OF SENATE BILL 383:

"AN ACT TO DECREASE FROM 50 PERCENT TO 40 PERCENT THE NUMBER OF OWNERS NECESSARY TO PROTEST THE CREATION OF A SPECIAL IMPROVEMENT DISTRICT OR A RURAL SPECIAL IMPROVEMENT DISTRICT; AMENDING SECTIONS 7-12-2112 AND 7-12-4113, MCA."

Sen. Norman said that many tax increases are related to SID's. City councils determine whether a district becomes a SID; the taxpayers have a recourse--if more than 50% of them protest within a short period then petitions can be gathered to stop the SID. However, 6 months later the process might have to be gone through again. This bill changes the 50% to 40%, the same as a rural SID requires, making it easier for people to protest the SID every 6 months.

There were no proponents.

OPPONENTS:

Tom Crowley, City Engineer, City of Missoula, said Missoula has 472 SID's most of which have been initiated by the people--probably only 6 improvement districts were council initiated. In general, he saw no problem with special improvement districts.

Bruce MacKenzie, general counsel and vice-president D. A. Davidson Co., felt that amendments proposed in the bill could inhibit formation of improvement districts in fully or semi-developed areas. His testimony is Attachment #1.

Senator Norman closed and questions were called for from the committee. Sen. Eck asked Mr. Crowley in how many cases have there been enough protests to stop a SID, and if he thought the 40% rate would make a difference. He said possibly 1 out of 25 districts had been stopped by protest; about the 40% rate--9 years ago when that rate was in effect about every other street in Missoula's south side was paved. Many of the people came in later to request paving as they felt their houses would sell better. Mr. Crowley said he thought the bill was lowering both the city and county to 40%. Sen. Norman said his intent was to direct this legislation to the city. This bill will be referred to the subcommittee on SID's for further action.

CONSIDERATION OF SENATE BILL 317:

"AN ACT TO DECREASE THE TAXABLE VALUATION OF NET PROCEEDS OF OIL AND GAS WELLS; TO INCREASE THE OIL AND GAS SEVERANCE TAX IN A COMPARABLE AMOUNT IN ORDER TO PROVIDE FOR AN OIL AND GAS IMPACT

February 18, 1981

FUND; TO CREATE AN OIL AND GAS IMPACT BOARD TO CONTROL EXPENDITURES FROM THE IMPACT FUND; AMENDING SECTIONS 15-6-131, 15-36-101, AND 15-36-112, MCA; AND PROVIDING AN EFFECTIVE DATE."

Sen. Towe said this bill, although it affects the net proceeds tax on oil, is designed to adjust taxes and not to affect the level of taxation. He took the committee through various changes in language and a percentage change in the bill. He passed out Attachments 2 and 3 to illustrate how the proposed bill would affect total tax to counties and the impact to counties. He said the bill would set up an Oil Impact Board to make grants to impacted counties in the oil area, sets up provisions for persons employed in oil and gas development elsewhere, considers impacts on roads in affected counties, and adds flexibility to care for impacted areas. Increasing the tax from 2.65 to 5% would mean income for the state, thereby aiding oil companies. Some counties might have a 400% increase as a result of decontrol and he felt the bill would aid cities, such as Sidney, which is impacted, although oil development has been elsewhere in the county.

OPPONENTS:

Sen. Ed Smith, District 1, felt the bill was an attempt to take money away from counties in oil production and give to other counties; Sen. Larry Tveit, District 27, felt the bill would be hard on the royalty owner; George Johnson, who felt the counties handled monies from oil quite well by themselves; Norman Nelson, Westby, president of a land and mineral owners association; Tom Harrison, representing Association of Oil, Gas, and Coal-producing counties; Don Allen, Executive Director of Montana Petroleum Association, who felt that most impacts counties have had from exploration has been good.. He said that coal differs from oil in that deposits are in one particular area leaving a long time to get ready to mine it thereby creating a long-term major impact in one area, while oil has a spread-use over 36 of the 56 counties with most impact in 14 counties. He didn't like language on page 1, lines 23 and 24, which he felt said the money could be used for any purpose; he didn't think the makeup of the Oil Impact Board would be impartial; and he didn't think the Dept. of Community Affairs as an administrative body would be able to address confidentiality requirements in the oil development situation. Rep. John Shontz, District 53, didn't feel the need for a state impact board and he said there were several measures which have passed the House this session that will provide more flexibility to local governments in the use of their tax dollars; Harold Fink, County Commissioner, Richland County; Mike Zimmerman, Montana Power Company; Ed McCaffree, Rosebud County Commissioner Elvin Lagerquist, Sheridan County Commissioner; Al Mathison, Dawson County Commissioner; Charles Breen, Prairie County Commissioner, and Gary Lang, Fallon County Commissioner.

Sen. Towe closed by saying the bill is designed to address the question of what will happen to oil revenues to local governments as a result of decontrol. The hearing was closed on Senate Bill 317.

CONSIDERATION OF SENATE BILL 345:

"AN ACT TO ALLOW RURAL AND CITY SPECIAL IMPROVEMENT DISTRICTS TO

EXTEND WITHIN OR OUTSIDE CITY BOUNDARIES, RESPECTIVELY, UNDER CERTAIN CIRCUMSTANCES; AMENDING SECTIONS 7-12-2102 AND 7-12-4102. MCA."

Sen. Halligan said this bill would allow city or rural SID's to extend outside city boundaries curing a duplication problem and providing a practical approach to providing services with a minimum of costs.

PROPOSERS:

Tom Crowley, Missoula County Engineer, said a problem is created that whenever there is an improvement district the rural SID cannot extend into the city even though the city is inside the county. There were no further proponents and no opponents, so questions were called for from the committee.

Sen. Elliott had a question concerning the majority situation. He said he knew it was true that in creating a SID you are bound by the number creating it, but in paragraph 2 of the bill the city commissioners may include "inside or outside". He wondered if that shouldn't be changed to 60% so that people outside the creating district would have 60% approval. Sen. Halligan said if the subcommittee wanted to set an actual percentage when considering the bill, it was all right with him. This bill will go to the subcommittee for further consideration.

CONSIDERATION OF SENATE BILL 358:

"AN ACT DEFINING THE AUTHORITY OF THE BOARD OF COUNTY COMMISSIONERS TO CREATE RURAL SPECIAL IMPROVEMENT DISTRICTS THAT FUND IMPROVEMENTS ON UNDERDEVELOPED AND UNOCCUPIED PARCELS OF LAND THAT ARE BEING SUBDIVIDED; AMENDING SECTION 7-12-2102, MCA."

Sen. Turnage said the bill, sponsored by Sen. Norman and himself, is an attempt to place some constraints upon the use of SID financing. Up until about 6 years ago there wasn't too much concern about SID financing because enough money was available. The intent of this bill is to prevent a one-ownership or limited-owner development of raw land into a subdivision for residential or other purposes from developing where bonds would be a general obligation against the entire city or county. SB 358 is an effort to see that raw-land subdivision is not going to necessarily be developed. New language saying "thickly populated locality" in section 1 refers to the proposed SID at the time of petition and does not refer to the general area where SID would be located. He felt the effort should be made to have a developer put his own money on the line rather than using general obligation bonds from the town. Because Senate Bill 382 is a furtherance of this bill, Senator Turnage presented it next.

CONSIDERATION OF SENATE BILL 382:

"AN ACT TO CLARIFY AND REVISE THE ISSUANCE AND PAYMENT OF SPECIAL IMPROVEMENT DISTRICT AND RURAL SPECIAL IMPROVEMENT DISTRICT BONDS; CLARIFYING THAT THE BONDS ARE NOT GENERAL OBLIGATION BONDS; CLAR-

ROLL CALL

TAXATION COMMITTEE

47th LEGISLATIVE SESSION - - 1981

Date 2/18/81

NAME	PRESENT	ABSENT	EXCUSED
Goodover, Pat M., Chairman	✓		
McCallum, George, Vice	✓		
Brown, Bob	✓		
Brown, Steve		✓	
Crippen, Bruce D.	✓		
Eck, Dorothy	✓		
Elliott, Roger H.	✓		
Hager, Tom	✓		
Healy, John E. "Jack"	✓		
Manley, John E.	✓		
Norman, Bill	✓		
Ochsner, J. Donald	✓		
Severson, Elmer D.	✓		
Towe, Thomas E.	✓		

Each day attach to minutes.

DATE Feb 18, 1981

COMMITTEE ON Taxation

BILL NO. SB 345

VISITOR'S REGISTER

[illegible]

(Please leave prepared statement with Secretary)

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

February 24, 1981

The 34th meeting of the committee was called to order at 8:05 a.m. in Room 415 of the State Capitol Building, Chairman Pat Goodover presiding.

ROLL CALL: All members were present.

CONSIDERATION OF HOUSE BILL 17:

"AN ACT TO PROVIDE THAT THE SAME INTEREST RATE APPLY TO OVERPAYMENT REFUNDS AS TO DELINQUENT TAX DUE FOR THE INCOME AND CORPORATION TAX; AMENDING SECTION 15-30-149 and 15-31-531, MCA."

Representative Nordtvedt said this bill was at the request of the Interim Revenue Oversight Committee. Bill simply says that whatever interest rates the state charges the income taxpayer for late payment of taxes, the state will also give the same interest rate on overpayment of taxes. In addition to creating equity it simplifies the codes. The hearing was closed on House Bill 17 as there were no further proponents, opponents or questions from the committee.

Senator Towe made a motion that HB 17 BE CONCURRED IN. The vote was unanimously in favor of the motion. Senator Goodover will carry the bill on the floor.

Senator Goodover added Senate Bills 423, 447 and House bill 13 to Senator McCallum's sub-committee dealing with bonds of SID's.

At the Chairman's request, it was decided to hold the bills for action later.

DISPOSITION OF SENATE BILL 345:

After minor committee discussion, amendments were proposed and moved by Senator Towe. One amendment which proposed 60% be inserted in place of "a majority" had two dissenting votes, one by Senator Crippen and one by Senator Elliott. Senator Towe moved that Senate Bill 345 DO PASS, as amended. The motion carried unanimously.

CONSIDERATION OF HOUSE BILL 22:

"AN ACT TRANSFERRING RESPONSIBILITY FOR THE CALCULATION OF THE FOUNDATION PROGRAM'S ADDITIONAL STATE LEVY FOR STATE DEFICIENCY AND STATE PERMISSIVE DEFICIENCY LEVY FROM THE SUPERINTENDENT OF PUBLIC INSTRUCTION TO THE GOVERNOR'S BUDGET DIRECTOR; AMENDING SECTIONS 20-9-351 and 20-9-352, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

ROLL CALL

TAXATION COMMITTEE

47th LEGISLATIVE SESSION - - 1981

Date 2/24/81

NAME	PRESENT	ABSENT	EXCUSED
Goodover, Pat M., Chairman	✓		
McCallum, George, Vice	✓		
Brown, Bob	✓		
Brown, Steve	✓		
Crippen, Bruce D.	✓		
Eck, Dorothy	✓		
Elliott, Roger H.	✓		
Hager, Tom	✓		
Healy, John E. "Jack"	✓		
Manley, John E.	✓		
Norman, Bill	✓		
Ochsner, J. Donald	✓		
Severson, Elmer D.	✓		
Towe, Thomas E.	✓		

Each day attach to minutes.

STANDING COMMITTEE REPORT

February 24

1931

PRESIDENT:
MR.

TAXATION

We, your committee on

having had under consideration Senate Bill No. 345

Respectfully report as follows: That Senate Bill No. 345
be amended, as follows:

1. Page 1, line 25.
Following: "may"
Insert: "upon compliance with subsection (1)"
2. Page 2, line 4.
Following: "owners"
Insert: "within the proposed district boundaries"
3. Page 2, line 5.
Following: "if"
Strike: "a"
4. Page 2, line 6.
Following: line 5
Strike: "majority"
Insert: "60%"

XXXXXX
DO PASS

HC

(CONTINUED)

Chairman.

5. Page 5, line 24.
Following: "owners"
Insert: "within the proposed district boundaries"

6. Page 5, line 25.
Following: "if"
Strike: "a majority"
Insert: "60%"

and, as so amended,

DO PASS

Y/C.

LOCAL GOVERNMENT

COMMITTEE

47th Legislature (1981)

Bill No.	Subject Matter	Date In	Sponsor	Hearing Date	Committee Action	Date Out
SB 362	To revise the method of disincorporation of a municipality; providing for a disincorporation election upon 2/3 vote of the city governing body; providing that undistributed proceeds of a disincorporated municipality shall be distributed to the taxpayers in the former municipality; etc.	3/3	Fred VanValkenburg	March 19	AS AMENDED BE CONCURRED IN	3/26
SB 442	To provide for county and municipal regulation of boxing and wrestling matches; requiring permits therefor; requiring safety rules; collection of taxes, etc.	3/3	Steve Brown	TRANSFERRED TO STATE ADMINISTRATION		
SB 465	To be known as the Fire Territory Act of 1981"; providing procedures for organizing and administering fire protection in unincorporated areas not in a fire district;	3/3	Don Ochsner	March 19	BE <u>NOT</u> CONCURRED IN	3/19
SB 345	To Allow rural and city SIDs to extend within or outside city boundaries	3/7	Michael Halligan	March 19	BE CONCURRED IN	3/19
SB 221	To revise and clarify the laws relating to special improvement districts; amending certain sections	3/14	Fred Van Valkenburg	March 24	AS AMENDED BE CONCURRED IN	3/24

MINUTES OF THE MEETING OF THE LOCAL GOVERNMENT COMMITTEE
March 19, 1981

The House Local Government Committee convened at 12:30 p.m., on March 19, 1981, in Room 103, State Capitol, with CHAIRMAN BERTELSEN presiding and all members present except REPS. HURWITZ and MCBRIDE, who were excused.

CHAIRMAN BERTELSEN opened the meeting to a consideration of the following bills: SBs 343, 345, 362 and 465.

SENATE BILL 345

SENATOR MICHAEL LEWIS HALLIGAN, District 48, chief sponsor, said this is an act to allow rural and city special improvement districts to extend within or outside city boundaries, respectively, under certain circumstances. Where a city and county line joins, rather than have both a rural special improvement district and a city special improvement district, 60% of the voters outside the line and 60% inside the line can form one improvement district. This will be more efficient and nonduplicating.

TOM CROWLEY, City Engineer, City of Missoula, said they support the bill. It provides flexibility for the SID laws where city and county lines join. Work will be done at a cheaper cost and there will be a one-time interruption of the area. He recommended a do pass. His testimony is Exhibit 1 and attached to the minutes.

DAN MIZNER, Executive Director, League of Cities and Towns, said the northside of East Helena is an example. The center of the street is the city limits and the northside is gravel and the other side is oil. If this piece of legislation had been law when that was done, more than 60% of the people would have wanted a single SID. People in those areas that will benefit most make the decision of whether they want in or not. It provides the service those people want. He urged a do pass.

There were no opponents.

SENATOR HALLIGAN closed. He said the Senate Local Government had amended "majority" to "60%" to be sure the rural citizens would not be forced to get involved in something they didn't want.

SENATE BILL 343

SENATOR GARY C. AKLESTAD, District 6, chief sponsor, said the bill generally revises the refuse disposal districts. Under the old law the county commissioners exercise the authority of starting the refuse disposal districts. Problems have arisen in northeast Montana, in places where there should be a disposal district,

TO: The Chairman of Members of the House Local Government Committee
FROM: Lee Heiman, Committee Counsel
DATE: March 19, 1981
RE: Summaries of Senate Bills 343, 345, 362, 465

SB 343 (Aklestad). Provides for creation of a refuse disposal district by election. Upon petition by 25% of the property taxpaying electors of the proposed district a hearing is held on the election. Registered electors of the proposed district may vote. The 5 directors are elected. Repeals current section on creation of district by county commissioners upon hearing and 50% protest provisions.

SB 345 (Halligan). Allows rural improvement districts to include incorporated areas and SID's to include unincorporated areas. The extension area must be if 60% of the property owners agree. They are to be treated the same as those in the regular area of the district.

SB 362 (Van Valkenberg). Provides that disincorporation may be put to a vote by a two-thirds vote of a city governing body. Provides that any surplus upon disincorporation shall be equitably distributed to former municipal taxpayers.

SB 465 (Ochsner). Provides for a fire territory in areas not incorporated and not in a fire district. Run by a non-profit corporation that establishes a volunteer fire company. The county is notified and establishes an emergency fund of \$30,000 for the territory from its general fund or county-wide levy. Territory residents may be corporate members and pay assessments. If not they receive no fire protection, but if provided they are liable for costs. The firefighters of the territory are eligible for volunteer firefighters' pension benefits.

NAME Tom Crowley BILL NO. SB 345
ADDRESS 201 West Spruce - Missoula DATE March 19, 1981
WHOM DO YOU REPRESENT City of Missoula
SUPPORT ✓ OPPOSE _____ AMEND _____
PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. This bill provides flexibility to the present SID laws to aid in completion of street and other improvements where City & County lands joint. This avoids duplication of SID & RSID efforts
2. This bill provides a use of this proposed law only if a majority (60%) of the property owners outside the particular jurisdiction agrees.
3. This bill will allow work to be done at the same time with ~~less~~ ^{cheaper} cost and ~~least~~ only one time construction project interruption to the area.
4. I Recommend that your Committee provide a do-pass on HB 345

Respectfully Submitted
Tom Crowley

STANDING COMMITTEE REPORT

March 22, 1962

MR. SPEAKER

We, your committee on LOCAL GOVERNMENT

having had under consideration SENATE

A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW RURAL AND SPECIAL IMPROVEMENT DISTRICTS TO EXTEND WITHIN OR ON CITY BOUNDARIES, RESPECTIVELY, UNDER CERTAIN CIRCUMSTANCES AMENDING SECTIONS 7-12-2102 AND 7-12-4102, MCA."

Respectfully report as follows: That SENATE

BE CONCURRED IN
DO PASS.

SENATE BILL NO. 345

INTRODUCED BY HALLIGAN

A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW RURAL AND CITY SPECIAL IMPROVEMENT DISTRICTS TO EXTEND WITHIN OR OUTSIDE CITY BOUNDARIES, RESPECTIVELY, UNDER CERTAIN CIRCUMSTANCES; AMENDING SECTIONS 7-12-2102 AND 7-12-4102, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 7-12-2102, MCA, is amended to read:

"7-12-2102. Authorization to create rural improvement districts upon petition. (1) Whenever the public interest or convenience may require and upon the petition of 60% of the freeholders affected thereby, the board of county commissioners is hereby authorized and empowered to order and create special improvement districts in thickly populated localities outside of the limits of incorporated towns and cities for the purpose of building, constructing, or acquiring by purchase devices intended to protect the safety of the public from open ditches carrying irrigation or other water and maintaining sanitary and storm sewers, light systems, waterworks plants, water systems, sidewalks, and such other special improvements as may be petitioned for.

(2) The board of county commissioners may UPON

COMPLIANCE WITH SUBSECTION (1) order and create special improvement districts covering projects abutting the city limits and include properties inside the city where the rural improvement district abuts and benefits that property. Property owners WITHIN THE PROPOSED DISTRICT BOUNDARIES inside the city may be included in the rural special improvement district only if a majority 60% of those property owners approve of the rural special improvement district. The property inside the city must be treated in a similar manner, as to improvements, notices, and assessments, as the property outside the city limits. A joint resolution of the city and county must be passed agreeing to the terms of the rural special improvement district prior to passing the resolution of intention or resolution creating the rural special improvement district. A copy of the resolution of intention and the resolution creating the rural special improvement district must be provided to the city clerk upon the passage of the respective resolutions."

Section 2. Section 7-12-4102, MCA, is amended to read:

"7-12-4102. Authorization for creation of special improvement districts. (1) The city or town council has power to create special improvement districts, designating the same by number; to extend the time for payment of assessments levied upon such districts for the improvements

hC

1 thereon for a period not exceeding 20 years; to make such
2 assessments payable in installments; and to pay all expenses
3 of whatever character incurred in making such improvements
4 with special improvement warrants.

5 (2) Whenever the public interest or convenience may
6 require, the city council is hereby authorized and empowered
7 to:

8 (a) create special improvement districts for building,
9 constructing, and maintaining devices intended to protect
10 the safety of the public from open ditches carrying
11 irrigation or other water;

12 (b) create special improvement districts for building
13 and constructing municipal swimming pools and other
14 recreation facilities;

15 (c) create special improvement districts and order the
16 whole or any portion or portions, either in length or width,
17 of any one or more of the streets, avenues, alleys, or
18 places or public ways of any such city:

19 (i) graded or regraded to the official grade;

20 (ii) planked or replanked;

21 (iii) paved or repaved;

22 (iv) macadamized or remacadamized;

23 (v) graveled or regraveled;

24 (vi) piled or repiled;

25 (vii) capped or recapped;

1 (viii) surfaced or resurfaced;

2 (ix) oiled or reoiled;

3 (d) create special improvement districts and order the
4 construction or reconstruction therein of:

5 (i) sidewalks, crosswalks, culverts, bridges, gutters,
6 curbs, steps, parkings (including the planting of grassplots
7 and setting out of trees);

8 (ii) sewers, ditches, drains, conduits, and channels
9 for sanitary and/or drainage purposes, with outlets,
10 cesspools, manholes, catchbasins, flush tanks, septic tanks,
11 connecting sewers, ditches, drains, conduits, channels, and
12 other appurtenances;

13 (iii) waterworks, water mains, and extensions of water
14 mains;

15 (iv) pipes, hydrants, hose connections for irrigating
16 purposes;

17 (v) appliances for fire protection;

18 (vi) tunnels, viaducts, conduits, subways, breakwaters,
19 levees, retaining walls, bulkheads, and walls of rock or
20 other material to protect the same from overflow or injury
21 by water;

22 (vii) the opening of streets, avenues, and alleys and
23 the planting of trees thereon;

24 (e) create special improvement districts and order the
25 construction or reconstruction in, over, or through property

1 or rights-of-way owned by such city of:

2 (i) tunnels, sewers, ditches, drains, conduits, and
3 channels for sanitary and/or drainage purposes, with
4 necessary outlets, cesspools, manholes, catchbasins, flush
5 tanks, septic tanks, connection sewers, ditches, drains,
6 conduits, channels, and other appurtenances;

7 (ii) pipes, hose connections for irrigating; hydrants
8 and appliances for fire protection;

9 (iii) breakwaters, levees, retaining walls, and
10 bulkheads; and

11 (iv) walls of rock or other material to protect the
12 streets, avenues, lanes, alleys, courts, places, public
13 ways, and other property in any such city from overflow by
14 water;

15 (f) create special improvement districts and order any
16 work to be done which shall be deemed necessary to improve
17 the whole or any portion of such streets, avenues,
18 sidewalks, alleys, places, or public ways, property, or
19 right-of-way of such city; and

20 (g) maintain, preserve, and care for any and all of
21 the improvements herein mentioned.

22 (3) The city governing body may order and create
23 special improvement districts covering projects abutting the
24 city limits and include properties outside the city where
25 the special improvement district abuts and benefits that

1 property. Property owners WITHIN THE PROPOSED DISTRICT
2 BOUNDARIES outside the city may be included in the special
3 improvement district only if a majority 60% of those
4 property owners approve of the special improvement district.
5 The property outside the city must be treated in a similar
6 manner, as to improvements, notices, and assessments, as the
7 property inside the city limits. A joint resolution of the
8 city and county must be passed agreeing to the terms of the
9 special improvement district prior to passing the resolution
10 of intention or the resolution creating the special
11 improvement district. A copy of the resolution of intention
12 and the resolution creating the special improvement district
13 must be provided to the county commissioners upon the
14 passage of the respective resolutions."

-End-